Volume 8, Issue 31   Atari Online News, Etc.   August 4, 2006

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->From the Editor's Keyboard           "Saying it like it is!"
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It may be cliche, but it's still the humidity, not the heat!  And to add
insult to injury, having both extremes is much worse!  That's the way it's
been here for three days.  Temperatures nearing triple digits and humidity
above the unbearable mark meant heat indexes well into triple digits.  I
continued to do my work outside, but I made sure my project involved being
in the shade, plenty of water, and most definitely took advantage of the
pool!  I can't imagine what those people in New York City did without any
power for most of the day during the worst of this weather.  In this area,
we set records for electricity use.  I hope that you all managed to find
ways to beat this weather.

In this week's issue, you'll find a couple of interesting articles regarding
Atari.  Would you believe that it's been 10 years since Atari - having
already been sold to JTS - was in turn sold to Hasbro Interactive for a
paltry $5 million.  At least the Atari name was back in some semblance of
its former life, but fading fast.  The other tidbit relates to something
interesting about the Atari Jaguar, but I'm not going to spoil it for you;
I'll let you read about it later in the issue!

Meanwhile, I'm going to plant myself in some air conditioned room and relax
from this recent heat wave.  If you're lucky, you'll be reading this issue
under the same circumstances.

Until next time...




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                         PEOPLE ARE TALKING
                       compiled by Joe Mirando
                         joe@atarinews.org




Hidi ho friends and neighbors. Another week has come and gone, and
Mother Nature is messin' with us again here in the northeast. It's
been hot... damn hot. Now I'm not saying that we're the hottest
place in the world... or even in the country or the region... but
it's hot to us, and we DO have higher humidity to contend with than
some other places.
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Maybe that's why posts on the UseNet have been sluggish. Nah, posts have been sluggish because Atari hasn't made a computer in years, and those of us who still frequent the various UseNet resources are familiar with most of what's out there already.

So that leaves me in a quandary about this column. Should I continue picking through the UseNet and hoping that there are enough posts to make it interesting?

Should I interject my personal views on current events in every installment? Yeah, I can just see some poor guy at the Department of Homeland Security sitting down with a cup of coffee and an issue of A-ONE to see what I've mentioned each week. <grin>

Believe it or not, I've got opinions on just about everything. Politics, religion, economics, social mores... you name it, I've got an opinion about it.

I guess that I could take on a different problem each week and hammer at you with things like, "Who would Jesus torture?", "Which Founding Father would have wanted to curtail the rights that all the others wrote into the Constitution?", and "Why are the oil companies making record profits and not building new refineries or sharing the wealth with their stock holders?", or "Is it REALLY just a coincidence that people who were in the best position to know said that there were no WMDs... and there weren't?"

See? No matter what the subject, I can tick most people off with a minimum of syllables. <grin>

Anyway... if you've got any ideas or opinions, please send them to me via email... I promise I won't make fun of 'em. No, really. I promise. <grin>

Well, let's get on with the news, hints, tips and info from the UseNet, huh?

From the comp.sys.atari.st NewsGroup
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Bear with me for a few minutes here, folks. From what I can piece together, Joakim H?gberg posted this about XaAES at some point:

"Nowadays it is absolutely fair to say that XaAES despite its alpha status is a very stable and mature project, that definitely has reached the original goal - to offer a free replacement for the AES in MultiTOS. Many would say that it even leaves N.AES behind."

To which Martin Byttebier (I think) adds:

"I'm one of those who states XaAES leaves N.AES behind. I really don't have any reason whatsoever to fall back to N.AES. And yes despite it's alpha status it's rock solid (at least on my setup).

Sure there are still some issues which needs to be fixed but as far I can tell these issues are minor and doesn't affect the good working of XaAES (latest cvs version)."

Then, Edward Baiz... evidently... replies:

"I agree with Martin here. The one time I got XaAES to load, I was
impressed."

Odd Skancke asks Edward:

"You only got XaAES to load once?"

Edward replies:

"Yes, just once, but I really had not finished the setup. I just
wanted to see how I stood. I really was not trying to get it to
load. I was more interested in loading Mint 1.161. I paid the price
though. My fat tables got messed up. Luckily I had backups."

Edward Baiz asks for help with SetMMU:

"I am having trouble running the SetMMU program (takes the place of
the Hades accessary program) and Mint. It seems if I try and run it
in the boot process, Mint reports that it cannot load my Mint.CNF
file. If I do not run it, then Mint loads fine. Has any other Hades
owner had this problem? I am thinking it is the position of the
program in the auto folder that is the culprit, so I am going to do
a little experimenting."

Odd Skancke tells Edward:

"You can NOT use both setmmu and the Hades ACC simultaneously. The
Hades ACC doesn't setup a good translation tree, and it modifies
the PMMU too late for MiNT. Also, you need to make sure you tell
setmmu how much ram you have in your Hades by chaining mmusetup.cnf.
Do you get this problem with 1.16.x versions found in xaaes alpha
packets on xaaes.atari.org? If so, read carefully the part about
<sysdir>, and use the name "1-16-cur" for the alpha versions
(because they're "current CVS" binaries)."

Joakim H?gberg now posts this about adjusting mouse sensitivity:

"[I] Just managed to get my Eiffel interface working, and am testing
a wireless keyboard/mouse. This seems to work pretty good, but
there are a couple of hiccups.

The main problem is that the mouse sensitivity is way too high, the
mouse pointer is moved across the screen very fast even with small
mouse movements. Does anybody know of a configuration program that
will allow me to reduce mouse sensitivity? Silkmouse looked
promising, but it would only allow me to *increase* the
sensitivity."

Jean-Francois Lemaire tells Joakim:

"You might check out CKBD 1.5. It seems pretty complete. Don't know
if it will slow the mouse down, though."

Joakim tells Jean-Francois:

"Thanks for the tip! It actually seems to be able to slow it down
too, although I have not figured out exactly how to fine tune
things. But now I am at least able to use the wireless mouse!"

Well folks, that's about it for this week. Tune in again next week,
same time, same station, and be ready to listen to what they are
saying when...

PEOPLE ARE TALKING

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->In This Week's Gaming Section - E3 To Get More "Intimate"?!
  """"""""""""""""""""""""""""""   The Dentist's Atari Jaguar!
                                   'Hitman: Blood Money"!
                                   10 Years Ago!

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->A-ONE's Game Console Industry News - The Latest Gaming News!
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             Video Game Trade Show E3 To Get More 'Intimate'

The Entertainment Software Association said on Monday it will downsize and
refocus its sprawling Electronic Entertainment Expo (E3Expo) video game
trade show, which attendees describe as "sensory overload."

The profitable show, the industry's largest, will evolve into a more
intimate event focused on targeted, personalized meetings and activities,
said ESA President Douglas Lowenstein.

"The world of interactive entertainment has changed since E3Expo was
created 12 years ago," Lowenstein said. "It is no longer necessary or
efficient to have a single industry 'mega-show."'

Game demonstrations will still be part of the down-sized show, which will
stay in Los Angeles, but no longer be held at the Los Angeles Convention
Center, he said.

The original intent of the E3Expo was to raise the profile of the industry and to foster relationships between game makers and retailers. As the industry has grown and matured, numerous niche trade shows have sprung up, catering to different aspects of the now-mainstream entertainment product.

While final plans are still in the works, the ESA said the show will continue its focus on press events and small meetings with media, retail, development and other key sectors.

Hitman: Blood Money for PlayStation 2

'Hitman' is a series like no other. It is an action title, with guns and drama and conflict, but what's kept it fresh is the extra measure of realism: you find yourself in the shoes of a contract killer who is forced to leave no trace of his work. In this newest 'Hitman' game, 'Blood Money,' Agent 47 is back again, and a scarred man confined to a wheelchair tells the story of how he finally killed the infamous cloned gun-for-hire. With each cutscene, you are taken to the early 21st century, where the storyteller is recalls the contracts which led Agent 47 to his apparent doom.

You start at your first mission in an abandoned amusement park grounds. Here, you will get a hands-on tutorial on what you can do and with what. You have several methods of dispatching witnesses, threats, and targets at your command, from sedatives to poisons to semiautomatic weapons. You can use any weapon you want in any manner you want, but 'Blood Money' is not a game built as a third person action shooter. You must use your wits for the most part, and you must not allow people to become aware that you have come in their midst to kill a target.

You will get the feeling that Agent 47 has been given a very realistic tolerance for pain because this game wants you to rely on stealth more than your ability to gun down everyone in your sight. Agent 47 is often given a cover or dons outfits that blend him into the scene. Sometimes you can find an outfit lying around, but more often than not, you will have to incapacitate someone to take their clothing. You can also take any key items they have. Killing people in the presence of witnesses starts a domino effect where your tension meter rises and anyone who is able to stop you will try their best. Once you blow your cover, everyone with a weapon has the potential to kill you. If two or more people are shooting at you, expect to be dead within a few seconds.

The main stealth element of 'Blood Money' lies in the tension meter, a meter next to your health bar that gives you a hint as to how good your cover is or how much attention you are getting. As the tension rises, it changes from green to yellow to red. At the yellow level, you have some chance to fix things before you're caught and killed. The challenge of Blood Money is all in how efficiently you complete your job while minimizing the attention you draw to yourself. Luckily, the AI is inconsistent, and NPCs act as they should sometimes, while at other times, they behave stupidly. That inconsistency allows you sometimes to escape what should be 'game over.'

Although 'Blood Money' provides you with a varied selection of weapons, most of them are too noisy or turn out to be useless in missions that require stealth. Your fiber wire, the sniper rifle, and occasionally your handgun are all that you need for even the toughest of missions. To add to

the conspicuousness you want to maintain, you can refit and upgrade all of
your weapons and buy accessories to add a silencer or buy items that allow
Agent 47 to stay alive just a while longer.

One problem with 'Blood Money' concerns the save-game mechanism. For
seemingly no reason, 'Hitman' requires that you free up about twice as much
memory card space as any other game, but it doesn't allow you the ability
to save your progress within a level, just after you make progress. There
doesn't seem to be any reason at all that so much memory should be set
aside.

Otherwise, the 'Hitman' series is an excellent concept that - in this
edition - not only manages to continue its good track record, but also
contributes new concepts to the genre. You'll have to play through the game
yourself to find out if more assassinations are on Agent 47's dance card.

Ratings (1-10):

Graphics: 8.5. Some collision detection fumbles mar a game based on stealth
and the element of surprise.

Sound: 9.0. This is a game that has to be played with the sound up high,
because your mission depends on what you hear and what non-playable
characters are saying.

Gameplay: 8.5. 'Hitman' is a unique stealth action title that allows you
many options for completing each level.

Story: 8.0. Two characters that recall the past tell Agent 47's story, a
method of storytelling that works well enough.

Replayability: 9.5: Each level begs to be replayed to work as efficiently
as possible and grab better headlines.

Overall: 8.5: Hitman is truly fun, challenging, and as difficult as you
want to make it.

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->A-ONE Gaming Online   -   Online Users Growl & Purr!
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                        10 Years Ago, This Week!

1996: Atari merges with JTS Inc (a hard drive manufacturer) forming JTS
Corp. The interesting part happens two years later when JTS sells the
Atari name and assets to Hasbro for $5 million. Nobody who had, say, $5.5
million saw the incredible value here?

                9 Out of 10 Dentists Recommend The Atari Jaguar

The Atari Jaguar still lives. In your mouth. Surrounded by whirring drills,
novacaine spurting needles and more microscopic organisms than people who
have ever lived.

The guys over at AtariAge discovered that Imagin Systems, a manufacturer of
dental imaging equipment, is, in fact, an old Jaguar, painted white and
with a camera attached. It's called 'The Hotrod'; apparently, Imagin
purchased the molds of the Jaguar and used it to make their $5000 dental
camera. It even has the expansion slot for the Jaguar's CD-Rom slot!

1UP enthuses: "We look forward to perhaps seeing other dead consoles - the
roomy Turbografx-16 case, maybe, or the classic Odyssey 2 - revived for
other technology applications." Might we recommend a PS3 as a CAT scan?
It's certainly the right size.

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A-ONE's Headline News
The Latest in Computer Technology News
Compiled by: Dana P. Jacobson

Microsoft Submits Documents In Bid To Avoid Fine

Microsoft Corp has submitted documents required by the European Commission
in an effort to avoid further fines for breaching an antitrust ruling, the
European Union regulator said on Monday.

The Commission said it was studying the files and that it was too early to
tell whether the world's largest software company would be subject to an
additional non-compliance penalty.

"We have received technical documents from Microsoft. Our people are
looking at it, including the trustee, and it's too early at this stage to
give any indication of whether there will be another payment, another
penalty, and if there is to be another penalty, how much it would be,"
Commission spokesman Michael Mann told a news briefing.

Microsoft said that it had made a final submission of 2,600 documents which
"further demonstrates our ongoing commitment to reaching full compliance
with the Commission's decision of March 2004."

"We are working with the trustee to ensure that all of this documentation
meets his requirements and to respond promptly and fully to any further
requests for information," the statement said.

Earlier this month, EU regulators fined the company 280.5 million euros
($356 million) for defying a 2004 antitrust ruling that required it to
share key information on its office servers with rivals. They warned the
company to comply or face bigger daily fines from next month.

The information is needed so that rivals' servers can compete on a level
playing field with Microsoft's own. Microsoft must help its rivals

interconnect smoothly with its Windows operating system for personal computers.

Part of the decision was based on an evaluation by an independent monitoring trustee, British Professor Neil Barrett, who was nominated by the U.S. software giant.

The non-compliance penalty imposed on July 12 was the first of its kind and came on top of a record 497 million euro fine the Commission levied in its landmark antitrust decision against Microsoft in March 2004.

That decision found that the company abused the dominance of its Windows operating system to squeeze out competitors.

Microsoft faces a further fine of up to 3 million euros a day if it is found to be still not in compliance with the ruling.

The move signaled the Commission's determination to force the software company to obey its order. Microsoft had two years to comply.

Microsoft says it has made massive efforts to comply with the Commission's ruling and had 300 people working to complete its package of interoperability information.

The company, which has appealed against every ruling the Commission has made against it, has said it will appeal against the non-compliance fine as well.

Kazaa Settles Case, Goes Legit

File-sharing service Kazaa, a longtime thorn in the side of the recording industry, has buried the hatchet with major record companies in an out-of-court settlement in which Kazaa will pay in excess of $100 million to settle the case.

Kazaa owner Sharman Networks will also introduce filtering technologies to ensure that its users can no longer distribute pirated digital music files.

The settlement, announced today by the Recording Industry Association of America (RIAA) and the international recording industry organization IFPI affects Kazaa's operations worldwide and ends an ongoing legal case brought by the labels against the service's operators in Australia and the United States.

"Kazaa was an international engine of copyright theft which damaged the whole music sector and hampered our industry's efforts to grow a legitimate digital business," said John Kennedy, chairman and CEO of IFPI, in a statement. "Kazaa will now be making a transition to a legal model and converting a powerful distribution technology to legitimate use."

The agreement arrives a year after the U.S. Supreme Court, reversing lower court rulings, said developers of Grokster and other peer-to-peer programs could be held liable for unauthorized file sharing by their users - if the technology companies were found to be encouraging customers to steal music and movies.

Grokster settled its case with the record labels and motion picture studios

last November. At the same time, the Federal Court of Australia last year found Sharman Networks guilty of authorizing widespread copyright infringement.

Kazaa, which at one time boasted some 4 million users, was cited by the IFPI as one of the world's most popular file-sharing networks for the illegal trading of music and movies.

"This is the conclusion of a long legal process during which the U.S. Supreme Court laid down guidelines for the operators of peer-to-peer networks," Forrester Research analyst Ted Schadler said. "The court provided some clarity for how business is conducted online, and this is a reflection of that."

The breadth of enforcement actions has had some effect on illegal downloading, some analysts have reported, driving sales higher at legal music services. But many are doubtful that piracy can be wiped out completely by antipiracy initiatives. Some reports have suggested that illegal downloads still are continuing at a relatively fast clip.

"There are just too many tools and ways to exchange files, and these guys are smart enough to know how to use them," said Yankee Group analyst Michael Goodman in a recent interview. "If e-mail is closed to them, they'll go to instant-messaging clients. If that's blocked off, they'll resort to usenets."

People seem to be sharing as much as they ever did, but are merely finding new ways to swap, Goodman noted. Although it makes sense that those in the industry would put up roadblocks to protect their property, it also is reasonable to assume that some dedicated pirates simply will find ways to go around those barriers, Goodman added.

Apple Initiates 15-inch MacBook Battery Recall

Apple Computer on Monday issued a battery recall for its 15-inch MacBook Pro. Apple said the affected batteries do not pose a safety hazard and users can continue to use them until the new ones arrive.

 We recently discovered that some 15-inch MacBook Pro batteries supplied to Apple do not meet our high standards for battery performance, said Apple's statement announcing what it calls an exchange program.

According to Apple the affected batteries have model number A1175 and a 12-digit serial number that ends with U7SA, U7SB or U7SC. To view the model and serial numbers located on the bottom of the battery, you must remove the battery from the computer. The battery serial number is located above the barcode.

More information on the exchange programand details on how to receive your new battery is available from Apple's Web site.

Microsoft to Charge for Office 2007 Beta 2

Microsoft says that it will begin charging $1.50 for users to download a

copy of the Office 2007 beta 2.

"In just the past two months since its launch, more than 3 million people have downloaded the 2007 Microsoft Office system beta 2," the company said in a statement sent via e-mail.

"Given how dramatically the beta 2 downloads have exceeded our goals, we have made the business decision to implement a cost-recovery measure for downloading the beta."

Microsoft will begin charging users starting Wednesday, it said. The company released beta 2 of Office 2007 in May.

Though users will be charged for downloads of the actual Office 2007 beta 2 software, Microsoft will continue to offer an online test drive of Office 2007 it launched In late June that users can access through a Web browser.

Users can visit Microsoft's Web site to access the online test version of Office 2007.

Microsoft plans to release Office 2007 to business customers before the end of the year, and to consumers in early 2007.

Both of those releases have been delayed from their originally scheduled ship dates.

Windows Live Spaces Launch Beset With Problems

Microsoft's highly anticipated upgrade of its MSN Spaces blogging and social networking service has run into significant and unforeseen performance problems.

Microsoft began rolling out the "next generation" version of the service, dubbed Windows Live Spaces, on Tuesday night, but things got quite bumpy along the way.

For more than 12 hours, pages loaded extremely slowly at best, and at worst they didn't render properly at all, according to a message posted late Wednesday by Microsoft on the official MSN Spaces blog.

"We know we disappointed a bunch of you with the issues we had in our rollout last night," the message reads. "We planned long and hard for this release and unfortunately it was one of those gotchas that only showed up once we were in production."

Microsoft has been working hard to fix the problems and has solved some of them, according to the posting. Still, in angry comments to the posting, exasperated users continue to report a variety of design and performance problems. A common request from them is for Microsoft to roll back the upgrade until all the problems are taken care of.

MSN Spaces is one of the most successful online services launched by Microsoft in recent years, and its popularity has been a great source of pride for the company, which is otherwise fighting a losing battle against Google in the search engine market.

About 40 million people have set up MSN Spaces blogs, and the network
receives about 120 million unique users per month, Karin Muskopf, an MSN
product manager, said in June.

The Windows Live Spaces upgrade gives the service an extended
social-networking functionality that is a clear attempt to provide features
made popular by MySpace. The upgrade is also designed to make it easier for
people to customize their blogs through support for Microsoft Gadgets.
These are lightweight applications that can extend the functionality of
larger desktop and Web-based applications.

Google Sets Up Open Source Service

Google has launched a beta site service for open source software, called
Google Code Project Hosting, available at http://code.google.com/hosting.
Announced late last week at the O'Reilly Open Source Convention in
Portland, Oregon and sporting a tagline of "Release Early, Release Often,"
Google Code provides space for developers and users to exchange open source
software and collaboratively work on projects.

On its FAQ page, Google describes the service as a site for "external
developers interested in Google-related development. It's where we'll
publish free source code and lists of our API services." Although the
initial emphasis is on Google-related software, other kinds of open source
sharing are anticipated by that community.

The home page is typical stripped-down Google, shielding a database that
searches and stores registered users' software. The results page resembles
a basic Google search results page. Google has said its search software
will rank projects by activity and participants, and that dormant projects
will eventually be removed from its repository. Tools for browsing source
code, issue tracking and administering projects are available.

Any efforts to use the service for storing inappropriate materials - such
as MP3s or pilfered passwords - will be filtered and removed, the company
said.

Greg Stein, a technical lead at Google, has said that the company does not
intend to compete with such old-line open source exchanges as
SourceForge.net, run by VA Software, or Tigris.org. SourceForge alone said
it has more than 150,000 projects, while Google's Project Hosting has begun
with four.

For its part, SourceForge has said that it is in the midst of a major site
overhaul to improve searching and other features, and that Google's new
service only validates the open source community. Google Code and
SourceForge have said they are working to create a database of common
project code names, so as to avoid possible duplication and confusion.

Laura DiDio, an analyst with Yankee Group, said that this open source
service helps Google as well as users.

"Google's going after Microsoft at every turn," she said, noting that the
more Google promotes open source, the more it helps create alternatives to
the software giant from Redmond.

"For the open-source user," she said, "it has the potential to become very

useful," while becoming yet another Google project that "helps their halo" of providing services to the community.

Google has been a strong supporter of open source software and attitude. For example, it promotes the use of the Firefox browser, uses MySQL in-house, and makes its APIs (Application Programming Interfaces) freely available so that "mash-ups" - such as data overlaid onto Google Earth maps-can be generated.

AOL E-mail Accounts, Software To Be Free

AOL just gave its customers more reasons to stop paying. In a strategy shift likely to accelerate the decline in its core Internet access business, AOL said Wednesday it would give away e-mail accounts and software previously available only to customers who paid as much as $26 a month.

AOL hopes to chase additional online advertising dollars instead. Encouraged by such trends as its 40 percent jump in ad revenue in the second quarter, AOL figures that by making services free, it can prevent users from defecting to Yahoo Inc., Google Inc. and Microsoft Corp., which have offered free, ad-supported e-mail for years.

Rob Enderle, an analyst with the Enderle Group, said the restructuring brings Time Warner Inc.'s online unit in line with "this decade as opposed to the last decade" and lets the company "hold on to the customers they had left."

"Had they done nothing, by the end of the decade, they would have been gone," Enderle said.

The move marks the end of an era for a company that grew rapidly in the 1990s by making it easy to connect online, giving millions of Americans their first taste of e-mail, the Web and instant messaging through discs that continually arrived unsolicited in mailboxes.

America Online, as it was then known, became the undisputed leader of dial-up Internet access when many people still used that method to get online. The greeting users got when signing on - "You've got mail!" - became so ensconced in pop culture that it was the title of a movie. AOL's shares flew so high in the Internet bubble that the company bought the Time Warner media giant in 2000.

But many promises of synergy from that deal evaporated. The company's stock plunged, key AOL executives left under pressure and now Time Warner management is firmly in charge.

"This is the final goodbye to the days when AOL was the king of the Internet," said Jeff Lanctot, general manager of aQuantive Inc.'s Avenue A/Razorfish, an agency that places some ads on AOL sites. "They now know they are the underdog."

The company expects to save more than $1 billion by the end of 2007 by cutting marketing, network and overhead costs. That's also roughly the amount AOL could lose annually if all 6.2 million of its subscribers with broadband stop paying extra - generally $15 a month - for access to AOL's content.

"Any guesses or speculation that this plan requires a 'hit' to AOL earnings is not right," said Jeff Bewkes, president and chief operating officer of Time Warner.

However, AOL will continue losing dial-up subscribers, perhaps at a faster rate as the company scales back its notoriously aggressive retention efforts and no longer actively markets the service to obtain replacements.

"But we have to remember that we're changing the nature of this game," Jonathan Miller, AOL's chairman and chief executive, told The Associated Press. "Before, when someone left us, that was not good for our company. They probably went to one of our competitors."

Now they can stay with AOL for free and view its ads.

"They were leaving us over price," he said. "They weren't leaving us because they were unhappy."

Lanctot said AOL could pull off the strategy shift given its "tremendous potential" to tap video and other resources from other Time Warner units as well as a sizable subscriber base - which, while dwindling, still makes AOL the leading Internet access provider.

The strategy shift will mean layoffs in marketing and customer service, but AOL would not say how many. Implementing these changes is expected to cost $250 million to $350 million through 2007, about half for employee severance.

AOL first moved away from its roots as a "walled garden" emphasizing exclusive content in 2004, making most of its news, music videos and other features available for free on its ad-supported sites.

Although the company tried to keep some customers paying by giving free e-mail accounts only with less-desirable AIM.com addresses, many subscribers defected to free offerings elsewhere. Miller said the latest strategy shift aligns AOL with the industry "instead of us fighting a trend."

While customers with broadband no longer will have to pay AOL anything, AOL will still offer dial-up accounts at $26 a month for unlimited use. To compete with cheaper dial-up services from companies like United Online Inc., AOL is creating a new $10 monthly plan with unlimited access but fewer features than the $26 plan.

Besides AOL.com e-mail, AOL is giving away its proprietary software for accessing the once-premium offerings, as well as safety and security features such as parental controls. Most features become free immediately, though parental controls and services targeted at kids and teens won't be free until early September.

Subscribers who dropped AOL within the past two years - about 6 million households, some with multiple e-mail addresses - will be able to reclaim their old AOL.com addresses simply by logging on with their old passwords.

Those who want to stop paying will have to call AOL.

John Goodman, 58, a longtime AOL user who works in public relations in Crestwood, N.Y., was among those who, until Wednesday, paid $26 a month primarily for e-mail.

"I stayed with it for years paying, knowing I was an idiot," he said. "I'm very pleased they are making this move."

The changes were announced Wednesday as Time Warner reported a profit of $1 billion for the second quarter. AOL, which saw a 2 percent drop in revenue, accounts for one-fifth of Time Warner's revenue, and most of that contribution comes from subscription sales.

So the bet here is that rising advertising income and cost savings can be enough to replace the missing subscription revenue. AOL believes the trend was already in effect anyway: While its ad sales rose 40 percent in the second quarter, subscription revenue dropped 11 percent.

AOL considers its paying subscribers loyal, crediting them for 80 percent of the pages viewed - and ad dollars generated - even though they make up only 36 percent of the unique audience. But AOL would have risked losing them - and the ad opportunities they represent - by making them keep paying.

The company lost 976,000 U.S. subscribers in the past quarter alone. As of June 30, AOL had 17.7 million subscribers, a 34 percent drop from its peak in September 2002.

The number of unique U.S. visitors to AOL sites has remained steady, while its three chief rivals all saw gains in June, according to Nielsen/NetRatings. ComScore Media Metrix found that in June, pages viewed at the main AOL sites - by subscribers and free users - dropped 26 percent, while Yahoo increased 23 percent.

Nonetheless, AOL sees opportunities in emerging features like online video. On Friday, AOL is revamping its video portal to give visitors one-stop access to free and for-pay clips from around the Internet, including those at rival sites like YouTube. The company hopes that by creating a user-friendly experience, the market would grow for everyone, including AOL.

AOL To Reduce Work Force Within Six Months

AOL will shed as much as a quarter of its global work force within six months as the company seeks more than $1 billion in savings to offset its decision to give more services away for free.

Some employees in Europe will still have jobs but with a different company as AOL looks to sell its Internet access businesses there. But in general, massive layoffs are expected as AOL stops actively marketing its dial-up services in the United States and reduces its need for customer-support centers.

AOL will no longer produce and distribute trial discs that often come unsolicited in mailboxes and magazines. Employees who do those jobs will likely get pink slips.

Nor will AOL get as many customer-service calls, because live support is available only to paying subscribers, many of whom will cancel and accept AOL's offer for free e-mail and software. AOL will likely shed jobs there, too.

All told, the Time Warner Inc. unit formerly known as America Online expects to drop as many as 5,000 employees from its payroll, out of a global work force of 19,000.

Call it the human cost of AOL's bid to boost online advertising and prevent an erosion of potential eyeballs to rivals like Yahoo Inc., Google Inc. and Microsoft Corp.

"It sounds like the first shoe's falling," said David Hallerman, a senior analyst with research company eMarketer Inc. "It's clear that's part of a large savings that AOL is going to have to go through. The biggest cost in any business is employees."

AOL currently employs about 5,000 in northern Virginia where the company has its headquarters. About 3,500 are in Europe and another 4,000 elsewhere in the United States, mainly in call centers in Oklahoma City, Ogden, Utah, and Tucson, Ariz., as well as offices in New York and Silicon Valley.

The company did not say where the job cuts will take place, adding that most of the individual employees likely will be notified in late September or early October.

The changes are coming not only because AOL plans to stop aggressively marketing its dial-up service, but also because it will end its practice of charging high-speed Internet users for access to its content and services, such as e-mail and parental control software.

Layoffs had been anticipated. In announcing AOL's strategy shift, Time Warner said it expected to spend $250 million to $350 million through 2007 to implement the changes, about half of that for employee severance.

Time Warner and AOL executives also said they expected to save more than $1 billion by the end of 2007 by cutting marketing, network and overhead costs. The cuts were necessary to avoid major hits in AOL's profitability as millions of AOL subscribers stop paying the company.

The strategy shift announced Wednesday marked AOL's latest efforts to stop a long, steady decline in Internet subscribers as more Americans get high-speed service through a cable or phone company. The changes have led to other job cuts in recent years, including about 1,300 customer-service positions announced in May.

If AOL's payroll were to drop by the full 5,000, that would amount to 6 percent of Time Warner's overall head count of roughly 87,000. Shares in Time Warner dropped 2 cents to close at $16.65 on Thursday on the New York Stock Exchange.

Students Warned About Networking Sites

Incoming college students are hearing the usual warnings this summer about the dangers of everything from alcohol to credit card debt. But many are also getting lectured on a new topic - the risks of Internet postings, particularly on popular social networking sites such as Facebook.

From large public schools such as Western Kentucky to smaller private ones like Birmingham-Southern and Smith, colleges around the country have revamped their orientation talks to students and parents to include online

behavior. Others, Susquehanna University and Washington University in St. Louis among them, have new role-playing skits on the topic that students will watch and then break into smaller groups to discuss.

Facebook, geared toward college students and boasting 7.5 million registered users, is a particular focus. But students are also hearing stories about those who came to regret postings to other online venues, from party photos on sites such as Webshots.com to comments about professors in blogs.

"The particular focus is the public nature of this," said Tracy Tyree, Susquehanna's dean of student life. "That seems to be what surprises students most. They think of it as part of their own little world, not a bigger electronic world."

The attention colleges are devoting to the topic is testimony both to the exploding popularity of online networking on campus, and to the time and energy administrators have spent dealing with the fallout when students post things that become more public than they intended.

Northwestern temporarily suspended its women's soccer program last spring after hazing photos surfaced online, while athletes at Elon University, Catholic University, Wake Forest and the University of Iowa were also disciplined or investigated. At least one school, Kent State in Ohio, temporarily banned athletes from posting profiles on Facebook, and now allows them to do so only with restricted access.

Non-athletes at numerous schools from North Carolina State to Northern Kentucky have been busted for alcohol violations based on digital photographs. Students at Penn State were punished for rushing the field at a football game. A University of Oklahoma freshman's joke in Facebook about assassinating President Bush prompted a visit from the Secret Service.

"I think they don't realize that others have" so much access, said Aaron Laushway, associate dean of students at the University of Virginia, which first incorporated the topic into orientation a year ago.

Many colleges tell students they won't actively patrol online profiles to look for evidence of wrongdoing - but they are obliged to respond to complaints (at Susquehanna, Tyree says, rival fraternities like to rat each other out by pointing out photos involving alcohol to administrators).

The real concern, they are trying to persuade students, is the unintended off-campus audience.

Unlike MySpace - a social site that many incoming freshman are already familiar with - Facebook users generally need a ".edu" e-mail address and can view complete profiles only of users at their colleges unless identified as a "friend" by the profile's owner. So most students feel confident they are addressing an audience of peers. Maybe they shouldn't be so sure.

Police are increasingly monitoring the sites. And it's not hard for prospective employers to get a ".edu" e-mail address from an alumnus or an intern, and recruiters are increasingly trolling the Internet to scope out prospective hires.

"They may be looking at these sites wondering if there's a personality fit with their company culture," said Tim Luzader, director of Purdue's center for career opportunities. A recent survey there found that a third of

employers recruiting there ran job applicants' names through search
engines, and 12 percent said they looked at social networking sites.

News reports of online stalkers warn there are potential personal safety
issues, too. Tara Redmon, who oversees the orientation program and
transition program at Western Kentucky, said one inspiration for adding
the topic this year was talking to a student who had put her dorm address
and room number on a posted profile, never considering the risk.

College administrators say they can't - and wouldn't want to - keep
students off sites such as Facebook. Many welcome the kind of
community-building the sites facilitate, and they recognize they have
become an important, and usually harmless, venue for the kind of identity
formation and presentation that's an important part of the college
experience.

The sites actually help with one of the major goals of orientation:
bonding. At Birmingham-Southern, dozens of members of the incoming class
of about 350 had already formed a Class of 2010 Facebook group long before
the start of school.

"That's great," said Renie Moss, the school's dean of students. "That's
what should be happening, forming that camaraderie. But we're hoping to
just maybe give the students a moment to pause and make sure they put out
something they can be proud of."

Wi-Fi Cards Expose Laptops to Hackers

Security researchers have sounded the alarm for wireless Internet users,
warning them that their laptop computers are vulnerable to attack by
hackers. The flaws could allow thieves to gain access to passwords, bank
accounts, and other private information even when the system is not
connected to the Internet.

According to David Maynor, senior researcher at network security firm,
SecureWorks, and fellow researcher Jon "Johnny Cache" Ellch, the problem
is with the software built into wireless-networking hardware that allows
it to communicate with a computer's operating system. A criminal exploiting
the flaw could send malicios code to an unprotected laptop and gain
complete control over it via its Wi-Fi card.

The two presented a video demonstration of how the vulnerability could be
exploited on a MacBook by taking advantage of software flaws specific to
Apple's OS X operating system, during the opening day of the Black Hat
security conference in Las Vega. But, they added, similar flaws exist in
Microsoft Windows and the Linux open-source operating system, as well, so
the majority of all computers, including desktops, are also susceptible.

"The problem itself isn't really an Apple problem," Maynor told the
Associated Press. "This is a systemic problem across the industry."

To launch an attack exploiting the Wi-Fi driver flaws, a hacker would need
to be within the range of a Wi-Fi signal - normally about 100 feet. That
distance, however, is subject to change as wireless technologies
significantly extend the reach of a WiFi signal. That could increase the
threat from hackers.

Maynor and Ellch refused to provide specific details or conduct a live demonstration of their research for fear it would fall into criminal hands. But, Maynor did say they were able to remotely identify the wireless driver running on a specific computer and drop a "root kit," i.e., hacker software, into the MacBook, which allowed them to create, read, and delete files on the computer.

The test was conducted using third-party wireless hardware rather than the original wireless equipment Apple ships with the laptop. The duo refused to identify the make or model of the wireless device so as not to give potential hackers a heads-up. But, Maynor said, the flaws are so common that he would have little trouble finding a vulnerable computer at any Internet caf .

According to Maynor, the main problem is that wireless cards are controlled by a mix of several hardware and software developers. These developers are often under a lot of pressure to quickly get their products to market, and do not invest enough time in perfecting their software.

The pair decided to go ahead with the demonstration because of the danger it presents to wireless users, particularly as a connection to the Internet is not necessary for intruders to exploit the flaw. Wireless cards, unless disabled, constantly broadcast their signal to any network in the vicinity and most are configured to automatically connect to any available network. So, any computer with an active wireless card is at risk.

"We want to educate developers and hardware makers about this threat before it becomes a wide-scale issue," Maynor said. "We're not talking about something that people don't know about, but a lot of people don't know the severity."

Microsoft Invites Hackers To Test Vista

After suffering embarrassing security exploits over the past several years, Microsoft Corp. is trying a new tactic: inviting some of the world's best-known computer experts to try to poke holes in Vista, the next generation of its Windows operating system.

Microsoft made a test version of Vista available to about 3,000 security professionals Thursday as it detailed the steps it has taken to fortify the product against attacks that can compromise bank account numbers and other sensitive information.

"You need to touch it, feel it," Andrew Cushman, Microsoft's director of security outreach, said during a talk at the Black Hat computer-security conference. "We're here to show our work."

Microsoft has faced blistering criticism for security holes that have led to network outages and business disruptions for its customers. After being accused for not putting enough resources into shoring up its products, the software maker is trying to convince outsiders that it has changed.

"They're going directly to the bear in the bear's lair," says Jon Callas, the chief technology officer at PGP Corp., which makes encryption software and other security products. "They are going to people who don't like them, say nasty things and have the incentive to find the things that are wrong."

Due early next year, Vista is the first product to be designed from scratch under a Microsoft program dubbed secure development life cycle, which represents a sea change in the company's approach to bringing out new products. Instead of placing the addition of compelling new features at the top of engineers' priority list, Microsoft now requires them to first consider how code might be misused.

A security team with oversight of every Microsoft product - from its Xbox video game console to its Word program for creating documents - has broad authority to block shipments until they pass security tests. The company also hosts two internal conferences a year so some of the world's top security experts can share the latest research on computer attacks.

Cushman said the presentations have already paid off. One talk, delivered in March by a security expert named Johnny Long, detailed a new way to identify security holes using Google. Shortly after the talk, a Microsoft manager applied the technique and discovered a customer was at risk because it hadn't properly set up a computer that was running SQL, a database program that competes with business programs sold by Oracle Corp.

But internal conferences are one matter. Taking Vista to Black Hat, where some of the world's foremost security gurus annually make sport of ripping through programming code to find bugs, is another.

"The fact that they're releasing it here is probably a bold statement," said Mike Janosko, a security expert with Ernst & Young who has been reviewing Vista for several months.

Women Bloggers Gather in Silicon Valley

Hundreds of women gathered in Silicon Valley on Friday for the second annual BlogHer conference, which is offering sessions on building blogs, driving traffic, and attracting advertisers; and keynote speeches from some of the most successful women bloggers, such as Arianna Huffington, founder of the Huffington Post.

The sold-out conference, which has attracted more than double the 300 attendees of last year's gathering, is being held in San Jose, Calif. The theme is "How is your blog changing your world?"

The ad-supported BlogHer site boasts 20 topic categories, 60 contributing editors and 4,100 bloggers. The mission of the site is to create "opportunities for women bloggers to pursue exposure, education and community." Co-founder and journalist Lisa Stone is the originator of the site. Marketing executive Elisa Camahort and media strategist Jory Des Jardins are the other founders.

In a recent study, the Pew Internet & American Life Project found that 8 percent of U.S. Internet users, or about 12 million adults, keep blogs. The number is about evenly split between men and woman.

Bill to Ban Social Sites in Schools Moves to Senate

MySpace, Friendster, Facebook, Bebo and other social networking sites would

be banned from schools and libraries in the U.S., if a bill approved by the U.S. House of Representatives becomes law.

Called the Deleting Online Predators Act or DOPA, the bill passed the House last week in a overwhelming vote of 416-15. Rep. Michael Fitzpatrick (R-PA), who introduced the legislation, has said that many social networking sites are "hunting grounds" for child predators. The bill now goes to the Senate within the next month, where it is expected to pass, and then to President Bush for his expected signature.

DOPA would instruct the FCC to ban commercial sites with personal profiles, personal journals and direct communication between users. Some estimates indicate that the number of sites fitting this description could easily be in the hundreds, possibly more.

Critics, such as the American Library Association (ALA), have noted that DOPA lacks specific language indicating exactly which sites should be banned, leaving it up to the Federal Communications Commission (FCC) to create the definition. Some users of social networking sites, such as a group at MySpace.com, have set up online petitition drives against the measure.

The bill affects institutions that obtain Net access through the reduced E-Rate plan sponsored by the federal government. This covers most public schools and, according to the ALA, about two-thirds of public libraries in the U.S.

If the bill becomes law, these institutions would have to set up filters to block social networking sites that are prone to "unlawful sexual advances." Children could be allowed to view these sites, but only under adult supervision. Many schools in the U.S. and other countries, such as the United Kingdom, already prohibit logging onto these sites from their computers.

Jennifer Simpson, an analyst with Yankee Group, said that if this bill becomes law, it could put a strain on schools and libraries, but probably will not greatly affect the sites. "A lot of the communication with social networking sites is already taking place at home," she said. "Access lost in one area will move to another."

She also pointed out that the growing use of wireless communications on mobile devices could soon neutralize the law's intent. "Access will become more pervasive," she said, "with students connected anytime, any place."

"The onus will always be on the parents and guardians, explaining to kids how the social network sites can be used in a safe manner," she said.

The FBI has reportedly estimated that 20% of all children in the U.S. using the Internet have been sexually approached online, and that there are as many as 50,000 sexual predators online looking for contacts with children.

Niche Competitors Crowd Into MySpace

Is MySpace losing its cool? Margaret Marks, 17, thinks so.

The Birmingham, Ala., high school senior was an avid user of the No. 1 social networking website for two years.

"But I never use it anymore, because most people my age now use Facebook," she says. "I can talk to people I haven't spoken to in years, and you can join college networks and meet people. MySpace is good for looking at bands and music, but for your own website, Facebook is much better."

As the social networking phenomenon continues to grow, competitors are snapping at MySpace's heels - er, portal. Facebook, Xanga, Wayn, vMix and others are salivating over MySpace's 95 million users and recent crowning by tracking service Hitwise as the Internet's most visited domain, surpassing longtime champ Yahoo Mail.

By some accounts, there are more than 200 sites, many aimed at niches. Facebook focuses on high school and college students, while vMix chases the camera-phone crowd with tools for elaborate video and slide shows. "The 12-34 demo wants to create and control their (media) experiences," says vMix's Terry Ash. "They want to flirt, they want attention, and they want to be noticed."

Like MySpace, these sites let people join for free and create their own Web pages, complete with profiles, photos, blogs and messaging capabilities. They also let you add friends to your site.

Social networking sites have not been without their problems, from sexual predators to reports that cyber criminals may be targeting MySpace users.

To deter predators, the House late Monday overwhelmingly passed a bill that would keep libraries and schools from allowing children to access social networking sites, as well as chat rooms. It now goes to the Senate.

Social networking sites remain immensely appealing to the young - and increasingly so to advertisers. This year, marketers will spend about $280 million to advertise on MySpace and its competitors, according to eMarketer's latest forecasts. By 2010, that figure could grow to $1.8 billion.

Toppling MySpace could be an uphill battle. According to Hitwise, in the week ending July 22, MySpace captured more than 81% of visits to online social networking sites, or about 52 million unique visitors, while Facebook was a distant No. 2 with 7.7%.

Bridget Savant, 19, a college student in San Diego, says she briefly switched to Facebook but is back with MySpace. She says it's great for checking out potential dates. "It's like full access to someone's room and cellphone."

History Without Books Gets A Test in California Schools

School children fond of chanting "No more pencils, no more books" may finally have their wish.

What began as a long-shot attempt last year by Pearson Plc to sell California educators digital materials to teach social studies has become reality in what could be the first large-scale step to eliminate books from classrooms.

Pearson, the world's biggest publisher of educational materials, disclosed

on Monday with its half-year results that about half the state's elementary school students will learn about the American Revolutionary War and Thomas Jefferson using an interactive computer program.

The company also said its success in California, where about 1.5 million students aged 5-11 will use the program in classrooms this year, has led it to plan the same approach in additional states and with more subjects.

"Digital development costs us less and takes less time," Pearson Chief Executive Marjorie Scardino said. "We're speeding up how we're rolling out those kinds of programs."

London-based Pearson estimated it cost about half as much to develop as a textbook with supplemental materials, and added that it had about a 41 percent market share.

"We're experimenting with the program and the price," Chief Financial Officer Robin Freestone said, adding that Pearson gave California a discount compared with a book-based proposal. "It's a major breakthrough, though. We managed to launch something for schools that didn't need a book."

The company said the California contract was valued at about $70 million, leaving some analysts guarded in their optimism about Pearson finding broader scale for digital curricula. While they saw some advantages for Pearson, they also found little that was technologically dazzling in the materials.

"All of their competitors are going to have to answer to this now," said one media analyst, who asked not to be named because of bank rules restricting public comments.

"Pearson have got the first-mover advantage, but I doubt there's any technical advantage. It can probably be replicated fairly easily."

Pearson's 2005 sales derived from schools, its biggest division, were about 1.3 billion pounds ($2.43 billion).

The California social studies contract was a longshot for Pearson, which had not even been planning to bid because of the strict guidelines the state puts on submissions for the subject.

"We didn't think we could find a return," Scardino said.

Instead, it opted to cull existing materials into a digital offering that included online homework assignments. It sent state officials a laptop computer instead of a pile of books in April 2005, and won state approval in November.

"Most schools have a big fat textbook on the table that doesn't really entice students any more," Scardino said.

Pearson's multimedia product, created by its Scott Foresman unit, enables teachers to tailor lessons to individual students, includes video clips and is able to read aloud all of the lessons in English and Spanish.

"History and social science comes to life with exciting text, vibrant media clips and activities," said Cheryl McConaughey, assistant superintendent at the Lamont School District near Bakersfield, California, in a statement supplied by Pearson. It was the first district to buy the materials.

"Our teachers are thrilled with virtually all aspects of the program."

Boomer's Social Web Site Comes With Death Alerts

A social networking Web site for Americans aged 50-plus went live on Monday - complete with an online obituary database that sends out alerts when someone you may know dies and that plans to set up a do-it-yourself funeral service.

The founder of Internet job site Monster.com, Jeff Taylor, launched Eons.com, a similar site to the popular online teen hang-outs MySpace or Facebook for the 50-plus crowd.

Instead of career and school sections, Eons.com has interactive games to build brain strength, news on entertainment and hobbies for older people, a personalized longevity calculator and tips to live longer.

It also has a nationwide database of obituaries dating back to the 1930s to which people can add photos and comments.

"The death business is growing," Taylor told Reuters, offering figures showing the number of deaths in the United States rose to 2.4 million in 2005 from 2.2 million in 2000, and was projected to rise to 4.1 million by 2040.

In addition to adding photos and videos to obituaries, members of Eons.com can sign up to receive an alert when someone from a particular area dies or in response to pre-defined keywords such as a company or school name.

This is similar to e-mail services offered by various other Web sites that alert people when a friend or colleague signs onto a certain site.

"Many people no longer live where they grew up so the idea of a rich story about someone's life in a local newspaper is often lost," said Taylor, who sees online obituaries replacing the traditional death announcements in newspapers.

He said baby boomers, the 77 million Americans born between 1946 and 1964, also wanted to have a greater input into their own funerals. This prompted Eons.com to look into a service where people could plan for their favorite songs to be played at their funeral and where friends and family can go afterward for food and drink.

But Taylor, who quit Monster.com last year, said Eons.com's main focus was not death but celebrating turning the Big 5-0 and living the grandest life possible.

Taylor, who is only 45, said he saw the need for Eons.com, for about 44 million of the 86 million Americans aged over 50 are online, but only a few use social networking sites.

This is also a wealthy group, controlling about 67 percent of the nation's wealth - and with plenty of time ahead.

"We now live about 20 years longer than our grandparents," said Taylor. "These are people who want to spend money to save time rather then spend

their time trying to save money."

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